

**TOWNSHIP OF HUME  
COUNTY OF HURON  
PORT AUSTIN, MICHIGAN  
FINANCIAL REPORT  
MARCH 31, 2004**

# AUDITING PROCEDURES REPORT

Issued under P.A. 2 of 1968, as amended. Filing is mandatory.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name HUME TOWNSHIP	County HURON
Audit Date 03/31/2004	Opinion Date 07/30/2004	Date Accountant Report Submitted to State: 07/30/2004	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.

2. We are certified public accountants registered to practice in Michigan.


We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ yes ☒ no 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ yes ☒ no 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ yes ☒ no 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ yes ☒ no 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ yes ☒ no 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ yes ☒ no 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ yes ☒ no 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ yes ☒ no 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ yes ☒ no 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

## We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	✓		
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) MELVIN P DUTCHER CPA			
Street Address 6915 N CASEVILLE ROAD	City CASEVILLE	State MI	ZIP 48725
Accountant Signature 			

**TOWNSHIP OF HUME  
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**MELVIN P. DUTCHER  
CERTIFIED PUBLIC ACCOUNTANT  
6915 N. CASEVILLE ROAD  
CASEVILLE, MICHIGAN 48725**

07/30/2004

State Treasurer  
Local Audit Division  
Treasury Building  
Lansing, Michigan 48922

Re: Township of Hume  
Audit as of March 31, 2004

Dear Sir:

This report is being written pursuant to section 7 (2) of the Public Act 2, P.A. of 1968 as amended. I have made an examination of the financial statements of the above mentioned local unit of government. My opinion dated July 30, 2004 with respect to these statements is included in my accountant's report submitted to you under date of July 30, 2004.

In accordance with the foregoing examination, I have complied with the minimum requirements as outlined in "Bulletin for the Audits of Local Units of Government in Michigan" (BULFALUG), as revised.

In accordance with the provisions of P.A. 275 of 1980, as amended, there are no accumulated deficits in the various fund balances of the above local unit, other than as disclosed in the financial statement including the notes thereto, or as described in the report of comments and recommendations. In addition, we found no substantive instances of noncompliance with the provision of P.A. 2 of 1968 (The Uniform Accounting and Budgeting Act) as amended, other than as disclosed in the financial statements including the notes thereto, or as described in the report of comments and recommendations as prescribed by the report guidelines for instances of non-compliance including in appendix B of the BULFALUG MANUAL.

I hereby state and affirm that I am a Certified Public Accountant registered to practice in the State of Michigan and am independent insofar as that term is defined by my profession.

A copy of my report of comments and recommendations, which has been forwarded to the aforementioned local unit of government, is enclosed.

In my report for the above-mentioned period, I have expressed an unqualified opinion with respect to the financial statements contained in this report.

In the last previous report by the local unit's independent Certified Public Accountant which covered the Period April 1, 2002 to March 31, 2003, an unqualified opinion was expressed.

Very truly yours

A handwritten signature in black ink, appearing to read "Melvin P Dutcher", written in a cursive style.

Melvin P Dutcher

**MELVIN P. DUTCHER  
CERTIFIED PUBLIC ACCOUNTANT  
6915 N. CASEVILLE ROAD  
CASEVILLE, MICHIGAN 48725**

07/30/2004

Honorable supervisor and  
Members of Township Board  
Township of Hume  
Port Austin, MI 48467

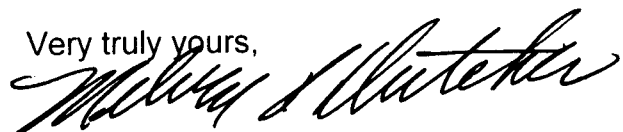
I have examined the combined financial statements of the Township of Hume, Port Austin, MI, and the combined individual fund, and account group financial statements of the Township as of and for the year ended March 31, 2004, as listed in the table of contents. My examination was made in accordance with generally accepted auditing standards and accordingly, included such test of the accounting records and such other auditing procedures as I considered necessary in the circumstances.

In my opinion, the combined financial statements referred to above present fairly the financial position of the Township of Hume, Port Austin, MI. at March 31, 2004, and the results of its operations and the changes in financial position of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Also in my opinion, the combining individual fund, and the account group financial statements referred to above present fairly the financial position of the individual funds and account groups of individual proprietary funds for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

My examination was made for the purpose of forming an opinion on the combined financial statements taken as a whole and on the combining, individual fund, and account group statements. The accompanying financial information listed as supporting schedules in the table of contents is presented for purpose of additional analysis and is not a required part of the combined financial statements of the Township of Hume, Port Austin, MI. The information has been subjected to the auditing procedures applied in the examination of the combined, combining, individual fund, and account groups financial statements and in my opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

Very truly yours,



Melvin P. Dutcher

## FINANCIAL SECTION

**TOWNSHIP OF HUME**  
**COMBINED BALANCE SHEET**  
**ALL FUND TYPES AND ACCOUNT GROUPS**  
**March 31, 2004**

	<b>GOVERNMENTAL FIDUCIARY FUND TYPES</b>		<b>ACCOUNT GROUPS</b>	
	<b>GENERAL</b>	<b>ENTERPRISE FUNDS</b>	<b>GENERAL FIXED ASSETS</b>	<b>TOTAL MEMORANDUM ONLY</b>
<b>ASSETS</b>				
Cash in bank	\$ 130,801	\$ 67,982	\$ 0	\$ 198,783
Taxes receivable - Current	5,290	19,496	0	24,786
Taxes receivable - DNR	5,947	8,587		14,534
Accounts receivable - Fire Stlmt	60,128	0	0	60,128
Due from Road Fund	14,965	0	0	14,965
Due from Tax Fund	3,282	0		3,282
General Fixed Assets:				0
Land and Building	0	0	51,643	51,643
Equipment	0	0	19,206	19,206
Furniture	0	0	3,931	3,931
Cemetery Improvements	0	0	555	555
<b>Total Assets</b>	<b>220,413</b>	<b>96,065</b>	<b>75,335</b>	<b>391,813</b>
	=====	=====	=====	=====
<b>LIABILITIES AND FUND EQUITY</b>				
<b>LIABILITIES</b>				
Due to General Fund	3,282	14,965	0	18,247
Accounts Payable	0	0	0	0
Payroll Taxes payable	1,569	0	0	1,569
<b>Total Liabilities</b>	<b>4,851</b>	<b>14,965</b>	<b>0</b>	<b>19,816</b>
<b>FUND EQUITY</b>				
Investment in General Fixed Assets	0	0	75,335	75,335
Fund Balance	215,562	81,100	0	296,662
<b>Total Fund Equity</b>	<b>215,562</b>	<b>81,100</b>	<b>75,335</b>	<b>371,997</b>
<b>TOTAL LIABILITY &amp; FUND EQUITY</b>	<b>220,413</b>	<b>96,065</b>	<b>75,335</b>	<b>391,813</b>
	\$=====	\$=====	\$=====	\$=====



**TOWNSHIP OF HUME  
COMPARATIVE BALANCE SHEET  
GENERAL FUND  
FOR YEARD ENDED MARCH 31, 2003 AND 2004**

<b>ASSETS</b>	<b>March 31 2004</b>	<b>March 31 2003</b>
<b>CURRENT ASSETS</b>		
Cash in bank	\$ 130,801	\$ 149,002
Tax Rec'ble - Current	5,290	4,415
Tax Rec'ble - DNR	5,947	0
Account receivable Fire Settlement	60,128	68,718
Due from Tax Collection	3,282	3,282
Due from Road Fund	14,965	14,965
	<u>-----</u>	<u>-----</u>
 Total Assets	 \$ 220,413 <u>=====</u>	 \$ 240,382 <u>=====</u>
 <b>LIABILITIES AND FUND EQUITY</b>		
<b>LIABILITIES</b>		
Due to General Fund	\$ 3,282	\$ 0
Accounts payable	0	486
Payroll taxes payable	1,569	1,108
	<u>-----</u>	<u>-----</u>
Total Liabilities	4,851	1594
 <b>FUND EQUITY</b>		
Fund Balance	215,562	238,788
	<u>-----</u>	<u>-----</u>
Total Fund Equity	215,562	238,788
	<u>-----</u>	<u>-----</u>
 <b>TOTAL LIABILITIES AND FUND EQUITY</b>	 \$ 220,413 <u>=====</u>	 \$ 240,382 <u>=====</u>

**TOWNSHIP OF HUME  
TRASH FUND  
COMPARATIVE BALANCE SHEET  
FOR YEARS ENDED MARCH 31, 2003 AND 2004**

<b>ASSETS</b>	<b>March 31 2004</b>	<b>March 31 2003</b>
<b>CURRENT ASSETS</b>		
Cash in bank	\$ 44,283	\$ 43,937
Taxes receivable	11,869	10,125
	'-----	'-----
 Total Assets	 \$ 56,152 '=====	 \$ 54,062 '=====
 <b>LIABILITIES AND FUND EQUITY</b>		
Due to General Fund	0	0
	'-----	'-----
Total Liabilities	0	0
 <b>FUND EQUITY</b>		
Fund Balance	56,152	54,062
	'-----	'-----
Total Fund Equity	56,152	54,062
	'-----	'-----
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 56,152</b> '=====	<b>\$ 54,062</b> '=====

**HUME TOWNSHIP  
ROAD FUND  
COMPARATIVE BALANCE SHEET  
FOR YEARS ENDED MARCH 31, 2003 AND 2004**

<b>ASSETS</b>	<b>March 31 2004</b>	<b>March 31 2003</b>
<b>CURRENT ASSETS</b>		
Cash in bank	\$ 23,675	\$ 29,401
Taxes receivable	10,820	4,098
	'-----	'-----
Total Assets	\$ 34,495	\$ 33,499
	'=====	'=====
 <b>LIABILITIES AND FUND EQUITY</b>		
Due to General Fund	14,965	14,965
	'-----	'-----
Total Liabilities	14,965	14,965
 <b>FUND EQUITY</b>		
Fund Balance	19,530	18,534
	'-----	'-----
Total Fund Equity	19,530	18,534
	'-----	'-----
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	\$ 34,495	\$ 33,499
	'=====	'=====

**TOWNSHIP OF HUME  
FIRE FUND  
COMPARATIVE BALANCE SHEET  
FOR YEARS ENDED MARCH 31, 2003 AND 2004**

<b>ASSETS</b>	<b>March 31 2004</b>	<b>March 31 2003</b>
<b>CURRENT ASSETS</b>		
Cash in bank	\$ 24	\$ 0
Taxes receivable	5,395	2,124
	'-----	'-----
 Total Assets	 \$ 5,419	 \$ 2,124
	'=====	'=====
 <b>LIABILITIES AND FUND EQUITY</b>		
Due to General Fund		0
	'-----	'-----
Total Liabilities	0	0
 <b>FUND EQUITY</b>		
Fund Balance	5,419	2,124
	'-----	'-----
Total Fund Equity	5,419	2,124
	'-----	'-----
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 5,419</b>	<b>\$ 2,124</b>
	'=====	'=====

**TOWNSHIP OF HUME**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**ALL GOVERNMENTAL FUND TYPES AND ENTERPRISES FUND**  
**FOR THE YEAR ENDED MARCH 31, 2004**

**GOVERNMENTAL FIDUCIARY**  
**FUND TYPES**

	GENERAL	ENTERPRISE FUNDS	TOTAL MEMORANDUM ONLY
<b>REVENUES</b>			
Tax Levy	\$ 56,344	\$ 152,041	\$ 208,385
Penalty/Interest on Delinquent Tax	195	532	727
Interest	2,091	283	2,374
Trailer Tax	437	0	437
State Revenue	58,118	708	58,826
Miscellaneous	171	450	621
Transfers In	0	58,452	58,452
	117,356	212,466	329,822
<b>Total Revenues</b>			
	117,356	212,466	329,822
<b>EXPENDITURES</b>			
<b>SALARIES</b>			
Supervisor	7,930	0	7,930
Clerk	7,500	0	7,500
Treasurer	9,400	0	9,400
Trustee	2,740	0	2,740
	27,570	0	19,640
<b>Total Salaries</b>			
	27,570	0	19,640
<b>ADMINISTRATION</b>			
Office supplies	4,130	0	4,130
Education	175	0	175
Travel	279	0	279
Board of Review	771	0	771
Assessor	14,116	0	14,116
Legal fees	492	0	492
Print & Publishing	4,941	0	4,941
Hall repairs & maintenance	631	0	631
Insurance	6,423	0	6,423
Township dues	904	0	904
Utilities	2,610	0	2,610
Fica/Medicare	2,481	0	2,481
Miscellaneous	267	0	267
Audit and Accounting	1,000	0	1,000
Cemetery	900	0	900
Library	500	0	500
Election	340	0	340
	40,960	0	40,960
<b>Total Administration</b>			
	40,960	0	40,960

**TOWNSHIPOF HUME**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ALL GOVERNMENTAL FUND TYPES AND ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED MARCH 31, 2004**  
**(CONTINUED)**

**GOVERNMENTAL FUND TYPES**

	<b>GENERAL</b>	<b>ENTERPRISE FUNDS</b>	<b>TOTAL (MEMORANDUM ONLY)</b>
<b>PUBLIC SAFETY</b>			
Fire Department - Port Austin	0	23,824	23,824
Fire Department	2,100	0	2,100
Ambulance	2,003	0	2,003
	-----	-----	-----
Total Public Safety	4,103	23,824	27,927
<b>PUBLIC WORKS</b>			
Drain at large - Arthur	270	0	270
Drain at large - Bayside	910	0	910
Drain at large - Schram/walker	7,150	0	7,150
Drain at large - Ruth	577	0	577
Drain at large - Taft	1,327	0	1,327
Garbage assessment	0	69,768	69,768
Road maintenance/construction	0	112,495	112,495
	-----	-----	-----
Total Public Works	10,234	182,263	192,497
	58,452	0	58,452
<b>TRANSFER OUT</b>	-----	-----	-----
Total Expenditures	141,319	206,087	339,476
Excess of Revenues Over (under) Expenditures	(23,963)	6,379	(17,584)
Fund Balance April 1, 2003	239,525	74,721	314,246
	-----	-----	-----
<b>Total Fund Equity</b>	239,525	74,721	314,246
<b>TOTAL LIABILITY &amp; FUND EQUITY</b>	215,562	81,100	296,662
	\$=====	\$=====	\$=====

**TOWNSHIP OF HUME**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**YEAR ENDED MARCH 31, 2004**

**TAX COLLECTION FUND**

	BALANCE March 31 2003	ADDITIONS	DELETIONS	BALANCE March 31 2004
<b>ASSETS</b>				
Cash	\$ 4,020	\$ 2,996,748	\$ 2,997,427	\$ 3,341
	=====	=====	=====	=====
<b>LIABILITIES</b>				
Due to other Township Funds	228	126,587	126,490	325
Due to County	0	276,989	276,989	0
Due to Schools	0	722,207	722,207	0
Due to State Education	0	267,816	267,816	0
Due to Drains	0	56,071	56,071	0
Due to General Fund	3,792	45,151	45,927	3,016
	=====	=====	=====	=====
Total Liabilities	\$ 4,020	\$ 1,494,821	\$ 1,495,500	\$ 3,341
	=====	=====	=====	=====

**TOWNSHIP OF HUME  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2004**

**NOTE 1 – SIGNIFICANT ACCOUNT POLICIES:**

**ACCOUNTING:**

The financial statements for the year ended March 31, 2004, comprise those of all Township Funds. Such financial statements are maintained in accordance with principles of governmental account and State statutory requirements, applying the modified accrual basis of accounting for all funds. Revenue from State and Federal distributions are recorded when received in cash and Township property taxes and certain other revenues are recorded when taxes are levied or revenues earned. Expenditures are recorded as incurred.

**ACCOUNTING FOR CAPITAL EXPENDITURES:**

Generally accepted accounting principles applicable to governmental units as promulgated in the American Institute of Certified Public Accountants industry audit guide titles "Audit of State and Local Government Units" provide for differing accounting treatment for capital expenditures dependent upon the category of the funds from which the expenditures are made. In enterprise, intergovernmental service and certain trust funds, capital expenditures are capitalized in the fund and depreciated. In all other funds, including the General Fund, capital expenditures are treated in the same manner as other current expenditures in the fund and then to be recorded in a "general fixed asset" group of accounts.

The Township's accounting practices are in conformity with the above described generally accepted accounting principles.

**BASIS OF PRESENTATION:**

The financial activities of the Township of Hume are recorded in separate funds and are categorized as follows:

General Fund – This fund is used to account for all financial transactions not accounted for in another fund.

Special Revenue Funds – Road Fund, Fire Fund, and Trash Fund, are used to account for specific governmental revenues requiring separate accounting because of legal and regulatory provision or administrative action.



**TOWNSHIP OF HUME  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2004  
(CONTINUED)**

**NOTE 2 – BALANCE SHEET CASH AND INTEREST BEARING DEPOSITS:**

Deposits are carried at cost. Deposits of the Township are at one bank. Act 217, P. A. 1982, authorizes the Township to deposit and invest in the accounts of federally insured banks, insured credit unions, and savings and loan associations: bonds and other direct obligations of the United States, or an agency or instrumentality of the United States: United States government of Federal agency obligation repurchase agreements: banker's acceptance of United States banks, commercial paper rated within the three highest classifications by not less than two standard rating services, which matures not more than 270 days after the date of purchase, and which involves no more than 50 percent of any one fund: and mutual funds composed of investment vehicles which are prohibits security in the form of collateral, surety bond, or other form for the deposits of public money. An attorney General's opinion states that public funds may not be deposited in financial institutions located in states other than Michigan. The Township deposits are in accordance with statutory authority.

The Governmental Accounting Standards Board Statement No. 3 risk disclosures for the Township's cash deposits are as follows:

<u>Deposits:</u>	<u>Carrying Amounts:</u>
Insured (FDIC)	\$198,784
Uninsured	-0-
Total Deposits	\$198,784

**NOTE 3 – CHANGES IN GENERAL FIXED ASSETS:**

	Balance March 31, 2003	Additions	Deletions	Balance March 31, 2004
Land and Bldg	\$51,643	0	0	\$51,643
Equipment	19,206	0	0	19,206
Furniture	3,931	0	0	3,931
Cemetery Improv	555	0	0	555
Totals	\$75,355	0	0	\$75,355

**TOWNSHIP OF HUME  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2004**

**NOTE 4 – TOTAL – (Memorandum only)**

The "Memorandum Only" column represents the aggregate total of the various columnar statements by types and account groups. This total column is not comparable to a consolidation, and therefore, does not present consolidated information.

**NOTE 5 – BUDGET**

Hume Township adopts their budget by line item totals.

**NOTE 6 – PROPERTY TAXES**

	<u>TAXABLE VALUE</u>	<u>TOTAL MILEAGE</u>	<u>AMOUNT</u>
Roads	\$ 55,111,129	.9844	\$ 54,239
General	55,111,129	1.0226	56,344
Fire	<u>55,111,129</u>	<u>0.4922</u>	<u>27,116</u>
		2.4992	\$137,699

**NOTE 7 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETARY FUNDS:**

P. A. 621 of 1978, section 18 (1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Township's actual expenditures and budgeted expenditures for the budgetary funds have been shown on a line item basis. The approved budgets of the Township for these budgetary funds were adapted to the line item level.

**NOTE 8 – JUDGEMENT – RECEIVABLE:**

On October 26, 2000 Hume Township was granted a judgment against Kinde Area Fire Board, Meade Township and Lincoln Township in the amount of \$85,897.60, payable over a period of ten years, which yearly payments of \$8,589.76 until paid in full. This was entered on record as a receivable. When payments are received they will reduce the receivable until the balance is zero. Current amount due as of March 31, 2004 is \$60,128.32

#### **NOTE 9 – CONTRACTUAL FIRE PROTECTION:**

At a meeting of the Township Board held on March 15, 1999, an agreement was approved with the Port Austin Area Fire Department for fire protection services only, commencing April 1, 1999 thru March 31, 2001. The Township will make an annual operating contribution to the Department of .4922 mill plus \$350.00 per run. The dollar amount paid will vary with the change in taxable value. The Township has paid \$23823.87 towards the contract during the year ended March 31, 2004. This contract was renewed on February 17, 2002 for a period of 10 years commencing April 1, 2001 until March 31, 2011. The financial terms of the contract remain the same as previous contracts.

## SUPPLEMENTAL DATA

## **AUDITOR'S REPORT ON SUPPLEMENTAL INFORMATION**

### **HUME TOWNSHIP**

My examination of HumeTownship for the year ended March 31, 2004, was made primarily for the purpose of formulating an overall opinion of the Township's combined balance sheet at March 31, 2004, and its combined statement of revenue, expenditures and changes in fund equity for the year then ended. The accompanying additional information has been compiled from the accounting applied in the examination of financial statements mentioned above. In my opinion, the supplemental statements presented for the year ended March 31, 2004 are fairly stated in all material respects in relation to the financial statement taken as a whole.

**TOWNSHIP OF HUME  
STATEMENT OF GENERAL FUND EXPENDITURES  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2004**

<b>GENERAL GOVERNMENT</b>	<b>BUDGET 2003-04</b>	<b>ACTUAL 2003-04</b>	<b>VARIANCE FAVORABLE (UNFAVORABLE)</b>
<b>Salaries:</b>	\$	\$	7,930 \$
Supervisor and Deputy		9,400	
Treasurer and Deputy		7,500	
Clerk and Deputy		2,740	
Trustees			
<b>Administration:</b>			
Supplies and Material		4,130	
Education		175	
Travel		279	
Assessor		14,116	
Legal Fees		492	
Printing and Publishing		4,941	
Hall repairs and Maintenance		631	
Insurance		6,423	
Dues		904	
Utilities		2,610	
Taxes - FICA/Medicare		2,481	
Board of Review		771	
Miscellaneous		267	
Accounting fees		1,000	
Elections		340	
Cemetery		900	
Library		500	
<b>Total General Government</b>	\$ 68,530	\$ 68,530	\$ 0
<b>PUBLIC SAFETY:</b>			
Fire Protection		2,100	
Ambulance		2,003	
<b>Total Public Safety</b>	4,103	4,103	0
<b>PUBLIC WORKS:</b>			
Drains at Large		10,235	
<b>Total Public Works</b>	10,235	10,235	0
<b>TRANSFERS OUT</b>	58,452	58,452	0
<b>TOTAL EXPENDITURES</b>	\$ 141,320	\$ 141,320	\$ 0
	=====	=====	=====

**TOWNSHIP OF HUME**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**TRASH FUND**  
**BUDGET AND ACTUAL**  
**YEAR ENDED MARCH 31, 2004**

	<b>BUDGET 2003-04</b>	<b>ACTUAL 2003-04</b>	<b>VARIANCE FAVORABLE (UNFAVORABLE)</b>
<b>REVENUES:</b>			
Current Tax Collections	\$	\$ 70,686	\$
Interest		526	
Interest/Penalty on Delq tax		197	
In lieu of taxes		449	
	-----	-----	-----
<b>Total Revenues</b>	71,858	71,858	0
 <b>EXPENDITURES</b>			
Trash Removal		69,768	
	-----	-----	-----
<b>Total Expenditures</b>	69,768	69,768	0
 <b>EXCESS OF REVENUES (EXPENDITURES)</b>			
	2,090	2,090	0
	\$'=====	\$'=====	\$'=====
<b>FUND BALANCE</b>	2,090		0
Beginning of Year		54,062	
 <b>FUND BALANCE</b>			
End of Year		\$ 56,152	
		'=====	

**TOWNSHIP OF HUME**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ROAD FUND**  
**BUDGET AND ACTUAL**  
**YEAR ENDED MARCH 31, 2004**

	<b>BUDGET</b> <b><u>2003-04</u></b>	<b>ACTUAL</b> <b><u>2003-04</u></b>	<b>VARIANCE</b> <b>FAVORABLE</b> <b><u>(UNFAVORABLE)</u></b>
<b>REVENUES:</b>			
Current Tax Collections	\$	\$ 54,239	\$
Interest		87	
Interest/penalty delq tax		4	
Transfer from General Fund		58,452	
State revenue		708	
	<u>-----</u>	<u>-----</u>	<u>-----</u>
<b>Total Revenues</b>	113,490	113,490	0
<b>EXPENDITURES</b>			
Dust Control/Construction/Repair		112,495	
	<u>-----</u>	<u>-----</u>	<u>-----</u>
<b>Total Expenditures</b>	112,495	112,495	0
<b>EXCESS OF REVENUES</b>			
<b>(EXPENDITURES)</b>	1,008	995	1,008
	<u>\$'=====</u>	<u>\$'=====</u>	<u>\$'=====</u>
<b>FUND BALANCE</b>			
Beginning of Year		18,534	
<b>FUND BALANCE</b>			
End of Year		\$ 19,529	
		<u>=====</u>	



**TOWNSHIP OF HUME**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**FIRE FUND**  
**BUDGET AND ACTUAL**  
**YEAR ENDED MARCH 31, 2004**

	<u>BUDGET</u> <u>2003-04</u>	<u>ACTUAL</u> <u>2003-04</u>	<u>VARIANCE</u> <u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
<b>REVENUES:</b>			
Current Tax Collections	\$	\$ 27,116	\$
Interest		0	
Interest/penalty delq tax		2	
	-----	-----	-----
<b>Total Revenues</b>	27,118	27,118	0
 <b>EXPENDITURES</b>			
Port Austin Fire Dept Contract		23,824	
	-----	-----	-----
<b>Total Expenditures</b>	23,824	23,824	0
 <b>EXCESS OF REVENUES</b>			
<b>(EXPENDITURES)</b>	3,294	3,294	0
	\$=====	\$=====	\$=====
 <b>FUND BALANCE</b>			
Beginning of Year		2,125	
 <b>FUND BALANCE</b>			
End of Year		\$ 5,419	
		=====	

**MELVIN P. DUTCHER  
CERTIFIED PUBLIC ACCOUNTANT  
6915 N. CASEVILLE ROAD  
CASEVILLE, MICHIGAN 48725**

07/30/2004

Honorable Supervisor and  
Members of Township Board  
Township of Hume  
Port Austin, MI 48467

Gentlemen:

I have recently concluded my examination of the accounting records of the Township of Hume for the year ended March 31, 2004. In connection with that examination, I wish to make the following comments and recommendations.

**GENERAL FIXED ASSET GROUP OF ACCOUNTS**

Generally accepted accounting principles require that a general fixed asset group of accounts be maintained by all governmental units. I was pleased to see that the Township has a list on file, and that it was reviewed before the audit.

**INVESTMENTS**

I was pleased to see that the Township invested excess money into savings resulting in a total of \$2.374 interest income for all funds combined.

**BUDGET**

P.A. 621 of 1978, section 18 (1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Township's actual expenditures and budgeted expenditures for the budgetary funds have been shown on a functional basis. The approved budgets of the township for these budgetary funds were adapted to the (functional) level.

## **RECOMMENDATIONS**

The Fire Fund needs to maintain their own bank account, either savings or checking. All bank accounts should have the name of the fund on the account.

Deposits, withdrawals and daily transactions need to be made in a timely manner.

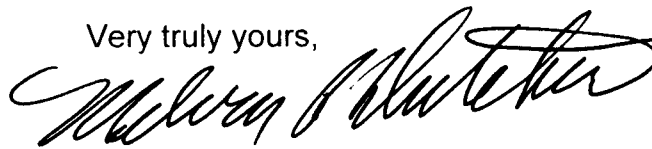
The Clerk and Treasurer should reviewing their chart of accounts to see if they are complying with the Township Uniform Chart of Accounts in order to be ready for the electronic filing of the year end reports at March 31, 2005. Each account number should consist of a series of nine numbers.

## **OTHER**

This report is intended solely for the information and use of the Township of Hume's management, and others within administration. This restriction is not intended to limit distribution of this report which upon acceptance by the Township Board is a matter of public record.

I wish to thank the Officials of the Township of Hume for their cooperation during the course of my examination

Very truly yours,

A handwritten signature in black ink, appearing to read "Melvin P. Dutcher", written in a cursive style.

Melvin P. Dutcher